USAID
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U.S. Assistance to Pakistan

Energy

USAID and Pakistan are working together to help Pakistan meet its growing energy demands, and to alleviate the country's energy crisis. Current initiatives actively increase the availability of sustainable energy to the economy and promote reforms to help the power sector function more efficiently and sustainably.

USAID's Engagement

Helping to resolve Pakistan's chronic energy crisis is a top priority for USAID. Ongoing activities consist of high-impact projects to increase Pakistan's energy resources and help the energy sector to more effectively meet the country's electricity needs. USAID is helping to alleviate Pakistan's energy crisis by increasing generation capacity, reducing energy and financial losses, while supporting essential policy, structural, and management reforms to help build a sustainable energy sector.

Institutional support ranges from improving the governance of the power sector to strengthening the performance of Pakistan's electricity distribution companies, regulators, and other Government of Pakistan entities. Some of the activities that the energy projects engage in help develop new policies to rationalize pricing, reduce subsidies, increase revenues, and improve electricity distribution. Partnerships are also formed with private sector entities and civil society organizations to enhance their role in decision-making and advocacy.

Goal

By the end of 2014, USAID will add 1400 MW of power to the Pakistan's electricity grid (1088 MW of which have already been added as of December 2013 benefitting over 11 million people).As improvements are made in the mechanical operation of the system, USAID will continue pursuing critical policy reforms to support the Government of Pakistan to address the severe problems in the sector and to promote private investment in power generation.

Current Projects

Energy Policy Program (October 2008 - October 2015)

The principal objectives of this project are to increase energy supply availability in a commercially and environmentally sustainable manner, improve energy sector governance, and improve the financial and technical performance of key energy sector organizations. This is achieved by strengthening Pakistan's power generation and transmission systems and helping to accomplish necessary policy reforms. The project provides advice and technical assistance to key Ministries and oversees the USAID-funded construction and repairs of thermal and hydroelectric power plants. The project also helps power generation companies decrease losses and increase cost recovery. Consulting support to the Government to develop a liquefied natural gas terminal and purchasing of liquefied natural gas from global markets is also provided under the project.

Repair and Rehabilitation of the Jamshoro Thermal Power Station (May 2010 - December 2014)

This project funds the repair and rehabilitation of the thermal power plant in Sindh. To date generation capacity has increased by 270 megawatts.

Repair and Rehabilitation of the Muzaffargarh Power Station (May 2010 - December 2014)

This project funds the repair and rehabilitation of the thermal power plant in Punjab. To date generation capacity has increased by 480 megawatts

Repair and Rehabilitation of the Guddu Power Station (May 2010 - December 2014)

This project funds repair and rehabilitation of the thermal power plant in Sindh. Generation capacity projected to be increased by 75 megawatts in 2014.

Power Distribution Program (September 2010 - October 2015)

Activities support Pakistan's ten public power distribution companies, the Ministry of Water and Power, and the National Electric Power Regulatory Authority. Efforts focus on reducing losses and inefficiencies in the electricity distribution system, increasing the availability of electricity, improving governance and management systems, increasing revenue collection, improving the regulatory framework, and improving customer service. Results to date include increase in revenues of $119 million to the distribution companies and 110 MW of electrical power saved.

Tarbela Dam (April 2010 - December 2014)

This project modernizes three out of 14 generators at the Tarbela hydroelectric power station in Khyber Pakhtunkhwa. The project has restored 128 megawatts of power generation capacity at the plant. USAID also provided spare parts for preventive maintenance of the power station and trained operation and maintenance staff. Replacement of old equipment is being undertaken funded by the project. The second phase of activities will be the addition of 20 MW and will help increase the life of the power plant.

Mangla Dam (August 2012- December 2017)

USAID is funding the rehabilitation of two turbines which will increase the capacity by 90 MW and modernize ancillary equipment for all 10 units to increase life span and reliability of the equipment for 25-30 years.

Allai Khwar (May 2014-June 2015)

This funds the completion of a project that will add about 53 MW to the grid.

Dubair Khwar (May 2014-June 2015)

This project funds the completion of a project that will add about 68MW to the grid.

Weir on Kaitu River (June 2014- December 2017)

USAID plans to construct equipment that will generate about 18MW of power, provide irrigation and economic growth opportunities in the FATA/KP area. This is one component of a larger program the Kurram Tangi Dam Project. The Kurram Tangi Dam Project has the potential to achieve transformative change and stability in the region.

Diamer Bhasha Dam Studies (Rapid Data Sweep: October-13 to January-14. Full Assessments: 2014-17)

and financial plans prepared by the GOP to meet the requirements of multi-lateral development banks and donors. Support is provided by USAID to key power sector institutions such as the Ministry of Water and Power and the National Electric Power Regulatory Authority to train staff, build their capacity, and streamline operations. Private investment in energy infrastructure is also promoted through USAID projects.v

Information as of July 2014